State of Hawaii DEPARTMENT OF LAND AND NATURAL RESOURCES Engineering Division Honolulu, Hawaii 96813

August 12, 2011

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

Authorization to Enter Into a Memorandum of Agreement Between the State of Hawaii, Department of Land and Natural Resources, and the State of Hawaii, Department of Transportation to Supplement the Memorandum of Understanding for the Ferry Pier and Landside Improvements at Kaunakakai Harbor/Small Boat Harbor Executed on May 17, 2004

The Department of Land and Natural Resources (DLNR) desires to enter into a Memorandum of Agreement (MOA) with the Department of Transportation (HDOT) to supplement the Memorandum of Understanding (MOU) for the Ferry Pier and Landside Improvements at Kaunakakai Harbor/Small Boat Harbor executed on May 17, 2004.

Background:

The MOU was executed to pursue coordination of planning, design, and construction of pier and landside improvements at Kaunakakai Harbor. The proposed improvements will enhance pier operations and safety of the multi-purpose port facility benefiting both small boat operations under the jurisdiction of DLNR and the commercial boat operations under the jurisdiction of HDOT. Federal Transit Administration (FTA) funds have been pursued and granted for the design and construction of the project.

Currently, DLNR is providing overall contract management of the planning, design, and construction for the project. The project improvements include converting the existing ferry shelter into restroom facilities and extending the building to house the passenger waiting area, water and sewer infrastructure improvements, and pier improvements (hardstand). Bids were opened on July 21, 2011 and are currently under review.

Proposed Agreement:

The proposed agreement supplements the MOU to: 1) reflect the additional roles and responsibilities between HDOT and DLNR: 2) formalize the dedication of improvements within property that are to be maintained by HDOT, after DLNR has completed its construction; and 3) document the responsibilities of HDOT and DLNR over operation and maintenance of the improvements.

The MOA is currently in draft form and have received preliminary review by both DLNR and HDOT's Deputy Attorney General A Final Environmental Assessment for the project was prepared and a Finding of No Significant Impact was published in the Office of Environmental Quality Control, March 8, 2011 Environmental Notice. In addition, the FTA issued a Categorical Exclusion (CE) for the Kaunakakai Harbor Ferry System Improvements in July 2005 to meet the requirements of National Environmental Policy Act (NEPA), however, due to the project's duration and change in scope, FTA is re-evaluating the CE status of the project. An updated report was submitted to FTA on August 26, 2010 and a "no change" in CE status is pending from FTA.

A copy of the draft MOA and MOU is attached.

RECOMMENDATION:

That the Board authorize the Chairperson to sign the final MOA and other related documents; subject to review and approval by the Department of the Attorney General.

Respectfully submitted,

EDWARD R. UNDERWOOD, Administrator

Division of Boating and Ocean Recreation

Approved For Submittal:

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WILLIAM J. AILA, JR, Chairperson

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